

MINORITY SHAREHOLDERS WATCH GROUP

BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD
(Incorporated in Malaysia – Registration No.: 200001022382 (524989-M))

New Straits Times, Business Times – Tuesday, September 21, 2021

MSWG AGM/EGM WEEKLY WATCH
22 - 24 SEPTEMBER 2021

MSWG had issued AGM/EGM letter to the following PLCs for their shareholders meeting held from 22 -24 September 2021.

The extraction of the question raised in the letter is highlighted here. For the details of other questions, please login to MSWG website at www.mswg.org.my

One of the points of interest to be raised:

Company

Points/Issues to Be Raised

Genting Malaysia Bhd (AGM)

Group revenue had declined by 56% from FY 2019 to FY 2020 while a net profit of RM1,332.2 million in FY 2019 had turned into a net loss of RM2,361.5 million in FY 2020 (a sharp drop of 277.3%). With such poor financial performance, for FY 2020, three executive directors namely the Deputy Chairman and Chief Executive, Tan Sri Lim Kok Thay, Deputy Chief Executive and Executive Director, Mr. Lim Keong Hui and President and Chief Operating Officer and Executive Director, Dato' Sri Lee Choong Yan still received substantial remuneration though in Tan Sri Lim's case there was a decrease compared to the amount received in FY 2019. The percentage of decrease was, however, far much lower than the deterioration in the Group revenue and net profit.

A summary of their total remuneration is as follows:

RM million			%
FY2020	FY2019	change	
49.57	67.72	- 26.8	
9.20	9.12	+ 0.8	
10.32	-	N.A.	

- (i) Tan Sri Lim Kok Thay
- (ii) Mr. Lim Keong Hu
- (iii) Dato' Sri Lee Choong Yan

(appointed to the Board only on 1 January 2020)

Kindly justify these directors remuneration in the context of the Group's deteriorating performance.

ACME Holdings Bhd (AGM)

The Group's manufacturing and property development segments, have significant concentration of credit risks in the form of outstanding balance due from 2 customers (2020: 2 customers) representing 59% (2020: 25%) of total receivables. [Page 103 of AR]
[a] What is the actual number of customers the Company has from the manufacturing and property development segments respectively as of FYs 2021 and 2020?
[b] Please provide the trade receivables from the 2 customers from the manufacturing and property development respectively as of FYs 2021 and 2020?
[c] Please provide the provision of Expected Credit Loss ("ECL") due from these two customers as a percentage of the Group's ECL for FY2021 and FY 2020?

Genting Bhd (AGM)

1. Practice 4.2 of Malaysian Code on Corporate Governance (MCCG) states that the tenure of an independent director does not exceed a cumulative term limit of nine years. Upon completion of the nine years, an independent director may continue to serve on the board as a non-independent director.
If the board intends to retain an independent director beyond nine years, it should justify and seek annual shareholders' approval. If the board continues to retain the independent director after the twelfth year, the board should seek annual shareholder's approval through a two-tier voting process.
There is an independent director, with tenure exceeding nine years, where no resolution was proposed to seek shareholders' approval to retain him as an independent director beyond nine years.
The Company departs from the Practice and proposes a timeframe of 9 years to apply the Practice. The timeframe of nine years is unreasonably long and the application of the Practice should be expedited to, say, 3 years or below.
2. Practice 4.5 of Malaysian Code on Corporate Governance (MCCG) stipulates that the board discloses in its annual report the company's policies on gender diversity, its targets and measures to meet those targets. For Large Companies, the board must have at least 30% women directors.
The Company departs from the Practice and proposes a timeframe of 9 years to apply the Practice. The timeframe is unreasonably long and the application of the Practice should be expedited to, say, 3 years or below.

RCE Capital Bhd (AGM)

RCE also extends assistance such as loan moratorium to borrowers to mitigate the COVID-19 pandemic's impact on its customers.
What are the terms and conditions imposed to qualify for the moratorium? What is the size of loan placed under moratorium against RCE's total loan book?

ATA IMS Bhd (AGM)

The Company was embroiled in a forced labour controversy in May 2021 where there were serious allegations made about the treatment of foreign labour at the Company's factory: <https://www.theedgemarkets.com/article/ata-ims-denies-allegation-forced-labour-share-price-tumbles>
[a] What were the steps taken by the Company to ensure that the foreign labour working at its factories were given fair treatment?
[b] Does the Company have any plans to reduce its dependence on foreign labour as the Government has become more stringent in its policies to hire foreign labour?

NTPM Holdings Bhd (AGM)

Pulp prices were on the uptrend since the early part of 2021 at around USD770 per tonne. As this is the main raw material in the production of tissue paper, it has a great impact on the Company's profitability. [Page 4 of AR 2021].
[a] What are the current pulp prices?
[b] What are the Company's plans in mitigating the impact of rising pulp prices?